MLA Service Review Response Report

Workers' Compensation Board - Alberta

January 31, 2001

WCB Workers' Compensation Board Alberta

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Minister Clint Dunford
Alberta Human Resources & Employment
Government of Alberta
324 Legislative Building
Edmonton, Alberta T5K 2B6

RE: WCB Response to the MLA Service Review Recommendations

Dear Minister Dunford:

Enclosed is the Workers' Compensation Board - Alberta's (WCB) response to the MLA Service Review Report we received on November 20, 2000.

The WCB viewed the report as an opportunity to improve services and glean fresh ideas. Although, the input that generated the reports was largely from a small group of dissatisfied stakeholders, their voice was not diminished in relevance, but was considered in the context of our response.

The WCB supports 89% of the recommendations put forward by the committee. Many of the recommendations validate the current direction the WCB is taking, while others have generated new initiatives. We also found that some of the Committee's recommendations reflected a misconception of WCB's operations and role, and we are committed to improving that understanding. There are three recommendations in the report that WCB does not support, because the recommendation would duplicate control mechanisms already in place; inappropriately link cessation of benefits with conflicting medical opinion; or create inequities in the workers compensation system.

We look forward to meeting with you to discuss the recommendations and our responses in detail in order to proceed with the larger initiatives of the reports.

Respectfully,

Rick LeLacheur
Chairman, Board of Directors

Mary J. Cameron
President & CEO

Gerrie Dakers
Member, Board of Directors

Barry Munro
Member, Board of Directors

Don Ritz
Member, Board of Directors

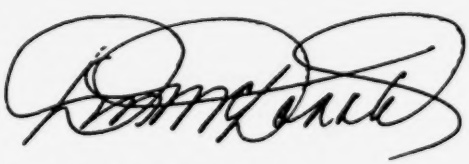
Sandy Beagle
Member, Board of Directors

Gary Cerantola
Member, Board of Directors

George Chatschaturian
Member, Board of Directors

Anthony Gordon
Member, Board of Directors

Bob King
Member, Board of Directors



D.M. (Bud) McDonald
Member, Board of Directors

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Executive Summary

The Workers' Compensation Board – Alberta wishes to acknowledge the considerable efforts of the respective committees in analyzing the information they received and seeking solutions for the issues and concerns that were raised about the workers' compensation system. We can appreciate the complexities in considering the many details surrounding our processes, policies and legislation particularly since our organization has evolved and changed significantly over the last decade.

We have approached these recommendations from a perspective of seeking opportunities to improve our system for the benefit of all Albertans. We fully support the Minister of Human Resources and Employment's request for stakeholder input to the recommendations, as it is imperative that any changes to the workers' compensation system fairly represent the opinions of both workers and employers to preserve the intent of the Meredith Principles.

Overview

The WCB supports 89% of the recommendations put forward by the committee. Many of the recommendations validate the current direction the WCB is taking, while others have generated new initiatives. We also found that some of the Committee's recommendations reflected a misconception of WCB's operations and role, and we are committed to improving that understanding. There are three recommendations in the report that WCB does not support, because the recommendation would duplicate control mechanisms already in place; inappropriately link cessation of benefits with conflicting medical opinion; or create inequities in the workers' compensation system.

For discussion purposes in the executive summary, we have grouped all of the recommendations from the MLA report into three themes: case management, medical expertise and the appeals process. In the detailed review of each of our responses, we have included suggestions for additional improvements to our service delivery processes. Our goal is to have a better workers' compensation system as a result of these recommendations.

Case Management (1, 2, 3, 4, 5, 6, 8, 9, 10, 21, 24, 25, 26 & 27)

Many of the recommendations are encompassed within existing programs and initiatives, but there are still opportunities for further program enhancement or communication. We support all of the recommendations that focus on clear communications with injured workers (1-5, 9); the recommendations that deal with improvements to our case management model (6-8, 10, 24-27) as well as recommendation 21 which refers to 'benefit of doubt' for injured workers. Our existing efforts surrounding each recommendation are listed in our detailed response; some of the initiatives include:

- ✓ the implementation of our Customer Connect service delivery model that aligns case managers and adjudicators to the workers and employers of specific industries and employers rather than by geography
- ✓ reductions in our average caseload per case manager/adjudicator
- ✓ a Decision Writing Style Guide that case managers and adjudicators use to write a clear decision letter (style has been focus group tested with injured workers and employers)
- ✓ injured worker and employer handbooks that clearly outline the claim process
- ✓ the introduction of our web site

Medical Expertise (13,14,15 & 16)

The majority of the recommendations regarding the use of medical expertise focus on developing new processes. The WCB supports the development of new processes for the use of medical expertise and evidence, and has initiated discussion with the College of Physicians and Surgeons of Alberta and the Alberta Medical Association. The new processes will encompass improvements in the areas of:

- relationships with the attending physician
- establishing fitness to return to work
- the use of medical panels
- defining a 'conflict of medical opinion'

The key to our discussions with the Alberta Medical Association (AMA) and the College of Physicians and Surgeons of Alberta (CPSA) will be to develop a definition or guideline for determining a 'conflict of medical opinion'. Based on this definition, cases can be clearly identified as requiring a medical resolution process. Establishing a shared definition of 'conflict of medical opinion' would make the distinction between 'unclear medical status' which may require additional expertise or information to resolve and a 'conflict in medical opinion' when medical experts don't agree, which would then require a full Medical Panel for resolution.

We recognize that the process for medical panels must be reasonable and workable within the context of the medical resources available in Alberta. Convening medical panels on every disagreement between medical information would unreasonably overburden the health care system in Alberta. The WCB frequently resolves unclear information through a phone call to the physicians – a more practical and time effective resolution.

Overburdening the system is a real concern when you consider:
There are 5,000 physicians in Alberta. Each medical panel consists of three (3) specialists.
If panels were convened for even 10% of the number of claims WCB receives annually, (approximately 140,000), 42,000 doctors would be required to participate in medical panels at a cost of $84 million.
Should only 1% of the claims received wish to use the medical panel process, WCB would require 350 specialists per month at an annual cost of $8.4 million.

Access to doctors in Alberta, especially specialists, is limited. Medical expertise is a precious resource for our community and convening medical panels should happen only when all other avenues of resolution are exhausted. If we convene a large number of panels we will impact the whole province – not just injured workers. Depending on the frequency of use, issues of access could delay treatment and rehabilitation progress for injured workers and every Albertan.

Appeals Process (11,17,18,19 &20)

WCB supports any recommendation that would increase public trust and confidence in the fairness of the appeals process. We support increasing the independence of the appeal process, and establishing a new Alternative Dispute Resolution process (11, 19, and 20). We also agree with the recommendations that suggest that the appeal process must be timely and that the WCB must act immediately upon decisions from appeal bodies (17, 18). (Note: on average, the WCB implements the decisions of the Appeals Commission within 10 working days.)

Unsupported Recommendations

There are three recommendations in the report that WCB does not support, because the recommendation would duplicate control mechanisms already in place (12); inappropriately link cessation of benefits with conflicting medical opinion (22); or create inequities or duplication of process in the workers' compensation system (23).

Recommendation 12 suggests that an organization be created to monitor the actions of the WCB. The Auditor General already fulfills this role from a financial standpoint. We have met with the Auditor General, Peter Valentine, and he has agreed to expand his financial audit to include the verification of key corporate results.

Recommendation 22 inappropriately links Section 49 (which allows for a reduction or suspension of compensation if a worker refuses treatment that independent medical advice considers essential for recovery) of the Act with the Conflicting Medical Opinion process. Our case management guideline is never to use Section 49 to support a denial or termination decision when there is a conflicting medical opinion. This section is intended for those cases where there are repeated unexplained absences from treatment or rehabilitation programs.

Recommendation 23 causes the greatest concern. The recommendation suggests that a tribunal rehear all contentious claims. The definition of 'contentious' would be the subject of great debate and the potential pool of cases would be difficult to determine. How do you define contentious so that every person in Alberta who has ever had a claim feels they have been treated equitably? This recommendation would also be extremely prejudicial to employers in that it infers that only injured worker appeals would be reheard.

There already exists a reconsideration power for any case that has new evidence as well as recourse should anyone feel they did not receive a fair hearing (reconsideration, where judicial review, Provincial Ombudsman, and the Human Rights Commissioner). Introduction of another tribunal would be a duplication of available resolution alternatives.

If considered, to be fair and balanced in our activities, WCB would insist this option be open to both workers and employers. It is important to consider that rehearing these appeals could result in workers losing long-standing benefits or retroactive increases to employers' premiums.

If we look back on only twelve years (the period of time the Appeals Commission has been in place) we anticipate that we could rehear up to 24,000 appeals at an estimated cost of $117 million ($4,900 per appeal). This estimate is based upon the average annual number of appeals heard since the creation of the Appeals Commission. This cost does not take into consideration the possibility of changes in benefits and the administration behind the rehearing process. The administrative cost alone would increase the average premium rate for employers by 30%. At the Appeals Commission's current rate of hearing appeals, approximately 1,200 per year, if they reheard only the prior years' contentious claims this process would take 20 years.

The WCB supports the intent of this recommendation – ensuring everyone that has had a WCB claim was treated fairly according to the policy and legislation of Alberta. There are means in place to ensure contentious claims can be heard. Therefore, the introduction of another tribunal would be a costly duplication of available resolution alternatives.

Recommendation Summary

The WCB agrees with the vast majority of the recommendations put forward by the committees. We support recommendations 1-11, 13-21, 24-27. This represents 89% of the recommendations put forward by this committee.

Explanation of Status

In the WCB-Alberta response to the report "Members of the Legislative Assembly Workers' Compensation Board Service Review Input Committee" the following terms were used to describe the status of recommendation:

Completed – The WCB - Alberta feels that it has completed the actions required to ensure this issue is resolved, and no further activity is required

Existing – The WCB - Alberta has a program, service or policy already in place to deal with this issue, and has ongoing activity that directly impacts the recommendation and the needs of stakeholders.

Under Development – The WCB has initiated work on this issue and is in preliminary stages of discussion, consultation and planning with stakeholders.

Planned / In Progress – The recommendation is contained in concept form in the WCB - Alberta's strategic business plan or in progress. WCB - Alberta makes a commitment to review the recommendation further based on implementation of the strategic business plan.

Supported/Partially Supported – WCB - Alberta agrees with the recommendation but is unable to proceed with implementation because of legislative, funding or policy roadblocks. External action will be required to facilitate implementation.

Not Supported – WCB - Alberta does not support the recommendation, for reasons listed in the response to each recommendation. The primary reasons are:

- It creates an imbalance between injured workers and employers
- It adds cost or complexity to the system without an offsetting benefit
- It creates a two-tiered system for different types of injured workers

The following section provides a detailed explanation of our position.

Service Review Recommendation 1

Use plain language in decisions, documents and communications.

WCB - Alberta Response **Status: Existing**

- WCB agrees that all communication with clients should be in plain language. This includes all letters and conversations.
- WCB supports the need for clear and effective communication in order to ensure all customers receive high quality service.

Opportunities for Improvement

WCB is committed to improving communications with all its stakeholders and recognizes that this will always be an area of ongoing improvement for our organization. There are initiatives underway to improve communications and independent research shows that significant improvements have occurred. We feel increased compliance by our staff with the WCB - Alberta "Style Guide" is key to making decisions easy to understand. We will continue to monitor our progress in this area through our customer satisfaction surveys and ongoing quality audits.

Background

- In the 4th quarter 1999, the WCB introduced a Style Guide for communicating decisions to clients. The guide focuses on providing clients with all of the relevant facts relating to the case, the applicable policy and outlining the decision within the context of the policy. The goal is to help clients better understand how and why the decision was made.
- Audits through our internal Quality Assurance area indicate steady improvement in compliance with the style guide since the inception of the program; however, the current score of 68.5% compliance is still below the target of 71% we wished to achieve in our first year of the program. The proposed target for 2001 is 75%.
- Externally, 80.5% of workers and 74% of employers were satisfied or very satisfied that case manager letters were easy to read and understand.
- All case managers and adjudicators attend plain language and customer service training to ensure communication, both verbal and written, is effective.
- Training programs will continue to be revised and improved to ensure that case managers are able to identify those injured workers who may have special requirements for communication.

Service Review Recommendation 2

All workers should receive, upon commencing employment, an easy to understand information package describing all of the services and benefits provided by the WCB and the principles on which the WCB makes decisions.

WCB - Alberta Response **Status: Partially Support**

- We agree that workers should have access to information about the WCB so they know about the services and benefits they are entitled to if they are injured on the job.
- We provide more than 150,000 easy to understand handbooks each year to injured workers and employers (Worker Handbook and Employer Handbook).
- We have expanded our distribution methods to ensure workers are getting the information when they need it most.
- Improved results will come from education and incentive programs, rather than the creation and enforcement of new regulations that would require employers to provide handbooks.

Opportunities for Improvement

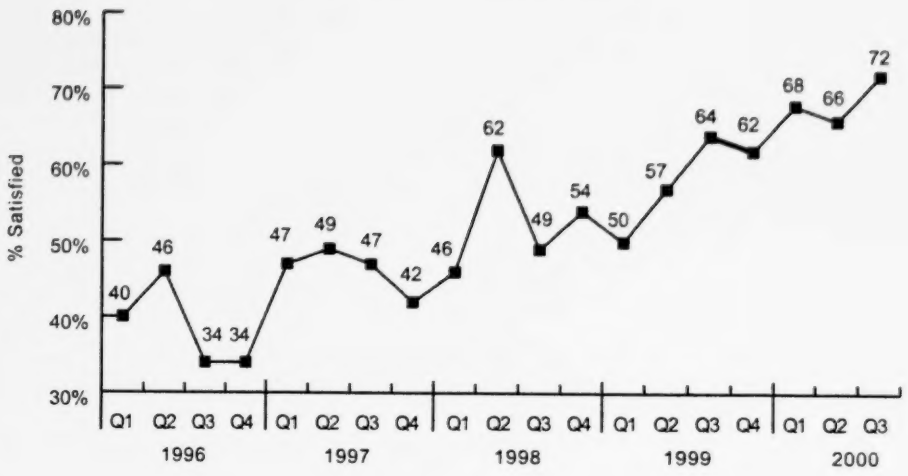
This recommendation follows on steps we continue to take to revise handbooks, brochures, fact sheets and our website so workers can easily access information about the WCB. Going forward, employers will be encouraged to provide Worker Handbooks to all their employees and new hires in addition to distribution at the time of an injury. We will also monitor how well workers are being informed about benefits and services through satisfaction surveys.

Background

- The Worker Handbook was revised in 1999 to provide comprehensive information about the WCB in plain language and in an easy to understand format. Over 150,000 handbooks are distributed each year to workers and employers.
- The percentage of workers who are satisfied with how they are being informed about benefits and services has risen steadily over the last three years (most recent result was 72%).

Satisfaction with Being Informed about Benefits and Services

% Satisfied (4's and 5's)



- All employers are provided Worker Handbooks and have them onsite so they can be made available to workers. Typically this occurs when a worker is injured on the job, but employers can distribute these to employees when they are first hired or at any other time. Providing the information when a worker is injured is seen as "just in time" delivery of information.
- Workers also receive a copy of the handbook with a letter outlining general benefit entitlement at the time a claim is registered. Distribution of this handbook from WCB is also prompted by our receipt of a doctor's report or an ambulance invoice – even when we have not yet received an injury report from the worker or employer.
- The handbook is tested regularly for "reading level" to ensure that clients of all backgrounds can easily navigate through the publication.
- In the third quarter of 2000 - 89.7% of workers surveyed reported receiving a copy of the Handbook and 79.3% were satisfied with the information it provided.
- The WCB website has been developed extensively over the past year and provides a broad range of information about services, benefits and WCB principles. A section dedicated to workers provides copies of the Worker Handbook, various brochures, fact sheets and answers to commonly asked questions.

Service Review Recommendation 3

When an employee is injured, the WCB should provide the injured worker with an up-to-date information package describing all of the services and benefits provided by the WCB and the principles on which the WCB makes decisions.

WCB - Alberta Response **Status: In Progress**

- When an employee is injured, the WCB is committed to providing the injured worker with an up-to-date information package (the Worker Handbook) describing all of the services and benefits provided by the WCB and the principles on which the WCB makes decisions.
- Our current practice is to ensure that each and every worker submitting a "Worker's Report of Injury" automatically receives a copy of the Worker Handbook.
- Clear and effective communication with the worker when the claim is first initiated provides the assurance that compensation, medical treatment and a host of other services are available to assist the worker until they are able to return to work.
- The training and style guide on communicating decisions to clients, *All About Decision Letters*, will be revised to include a requirement to explain "next steps" with respect to benefits and services on all decision letters to workers.

Opportunities for Improvement

The handbook is regularly tested for ease of use and readability, and is updated several times each year to reflect the most current legislation and policies. We are also using and investigating alternate forms of communication with injured workers such as on-line information, interactive voice systems and video presentations. Independent focus groups will be used to validate new approaches.

The training and Style Guide on communicating decisions to clients will be revised to include a requirement to explain "next steps" with respect to benefits and services on all decision letters to workers.

Background

- At the time of injury the worker submits the "Worker's Report of Injury" form that is part of the Worker Handbook which includes extensive information about WCB coverage.
- On ***every*** claim registered, a Worker Handbook is sent to the worker with a letter providing a claim number and specific contact information. The handbook answers commonly asked questions about WCB's guiding principles, services, benefits, roles and responsibilities and describes how the claim will proceed. Approximately 150,000 handbooks are mailed each year.

Service Review Recommendation 4

Injured workers should have the opportunity to meet with their case manager in person, if so requested.

WCB - Alberta Response **Status: Existing**

- WCB agrees injured workers should be able to meet with their case manager to discuss their claim.
- Any injured worker can request and obtain a face-to-face meeting with their case manager.
- Most injured workers will continue to rely on the convenience of phone and mail for maintaining contact with their case manager, but will always have the option of meeting in person.
- Outside of Edmonton and Calgary, Community Liaison Representatives (Grande Prairie, Red Deer, Lethbridge/Medicine Hat) provide an additional source of contact for injured workers and employers.

Opportunities for Improvement

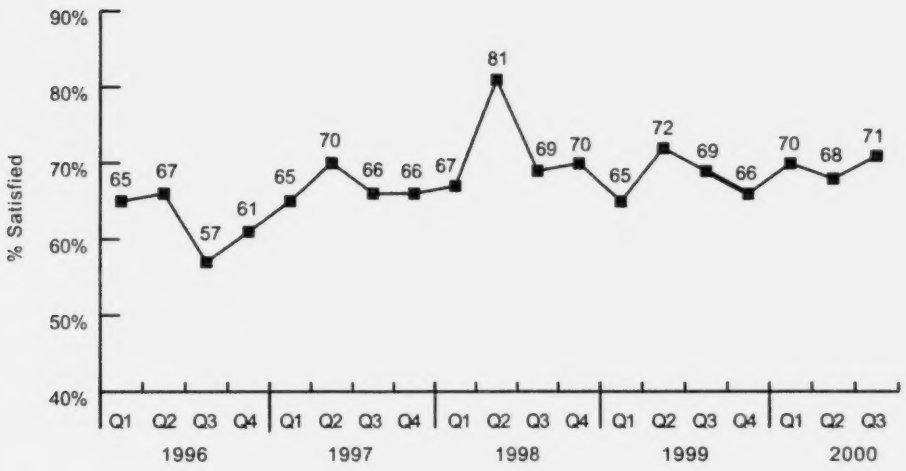
We recognize the importance of case managers being available to respond to injured workers, to answer their concerns and to keep them informed about their claim. The Customer Contact Centre is introducing technology, and redefining the role of the Customer Service Representative, to respond to a broader range of client inquiries. The resulting timesavings for case managers can be re-deployed to customer relationship activities.

Background

- All clients have an opportunity to meet with the person handling their claim.
- Direct client contact is a service principle of the Customer Connect delivery model implemented in February 2000. Case managers/adjudicators have appropriately established closer connections, with both injured workers and employers, through more regular worksite visits to learn about the specific work environments, occupations and job requirements of workers.
- Communication and dialogue are an important component of disability management and customer service and is one of the many ways that case managers are accessible to serve injured workers (latest survey shows injured workers 71% satisfied with case manager accessibility and availability).

Satisfaction with Accessibility and Availability

% Satisfied (4's and 5's)



Service Review Recommendation 5

A translation service should be available for injured workers who have difficulty communicating in English.

WCB - Alberta Response

Status: Existing

- WCB - Alberta agrees translation services should be available for any injured worker who needs assistance in communicating.
- The WCB currently offers translation services so that information is in a form and language that is understood by injured workers who have difficulty communicating in English. This includes both written and verbal information.
- This recommendation confirms our current objective of providing clear and effective communication to all workers.

Opportunities for Improvement

While translation services are provided when required, delivery can be improved by adding information on the availability of translation services in the Worker Handbook, by developing and distributing fact sheets, and by increasing awareness through case managers and Customer Contact Centre staff.

It is an expectation that WCB staff identify situations where translation services may be needed in the normal course of the service delivery process.

Quality audits will be performed to ensure workers are satisfied that they were able to access translation services and receive clear communication from the WCB.

Background

- Translation services are currently available and provided to injured workers whenever the need arises.
- Services include translation of written communication and interpretation at in-person discussions and meetings. In many cases, injured workers prefer to have a relative or someone they have chosen provide translation.
- It is an expectation that WCB staff identify situations where translation services may be needed in the normal course of the service delivery process.

Service Review Recommendation 6

The WCB should strive to maintain one primary case manager on a file until closed.

WCB - Alberta Response **Status: Existing**

- We agree that the WCB should strive to maintain one primary case manager on a file until closed.
- The goal of WCB's case management practice is to maintain a primary case manager for each injured worker's case throughout the entire life of the claim.
- Having the same individual handling the claim gives the injured worker confidence that their specific needs are understood by the WCB.
- WCB's Customer Connect model, launched in February 2000, is based on the principle of maintaining a case manager's relationship with the injured worker and developing a base of knowledge of specific industries and types of injuries to support workers in their rehabilitation.
- The WCB places significant priority on minimizing claims transfers and reducing case manager turnover as the most effective way to establish effective working relationships with injured workers.
- We support career development and people will move onto new positions. This is a reality in any business. We think that we have taken all necessary steps to minimize the impact and occurrence.

Opportunities for Improvement

Some claim transfers are unavoidable due to employee turnover or when claims require the service of WCB staff with specialized skills (i.e: brain injury). We will continue to take steps to reduce employee turnover and to ensure the injured worker is involved in any process where transferring the claim is required. We will monitor instances of claim transfers and conduct ongoing quality audits to ensure there is minimal impact on the injured worker and continuity of case management of a claim.

Background

- Continuity of the relationship between a case manager and an injured worker is a priority. Injured worker surveys have indicated that changes in their caseworker is a critical source of dissatisfaction. Systemic changes in 1999 centralized most adjudication functions into two positions (case manager and adjudicator) significantly reducing claim transfers.
- Maintaining the relationship with the injured worker is one of the service principles of the Customer Connect model. Integrated service teams were put in place in early 2000 to support case managers and adjudicators so they can better focus on their caseload and injured workers. A key component of disability management is facilitating an ongoing relationship between a worker and their employer.

When a transition is required it will be as seamless as possible and will include informing the injured worker. This is supported by the integrated service team structure where through case conferencing and team ownership of claims, a greater number of skilled staff are available to the injured worker.

Service Review Recommendation 7

The WCB should focus on case management and review case manager caseload.

WCB - Alberta Response **Status: Existing**

- The WCB - Alberta agrees that a focus on case management and a review of case management workload is of key operational importance. We focus our efforts on ensuring work is assigned to the appropriate experience level, at the right amount of work (complexity), rather than relying solely on the number of claims on a caseload.
- The WCB's role is to provide disability management services and pay compensation to injured workers. These priorities are entrenched in our corporate objectives and scorecards and measured through customer satisfaction surveys.
- We support this recommendation through the implementation and ongoing development of the Customer Connect model, launched in February 2000.
- We will continue to eliminate redundancy, streamline processes and re-design case managers' jobs to achieve more effective case management outcomes for workers, employers and staff.
- We believe appropriate staffing levels are currently in place.

Opportunities for Improvement

The WCB should ensure through appropriate resourcing, training and direction that case managers/adjudicators are able and capable of responding to client needs compassionately, fairly and in a timely manner. Staff turnover is a challenging reality for all business. The WCB is committed to maintaining manageable case manager and adjudicator workloads to ensure proper service and quality. Case managers and adjudicators provide essential services to injured workers and employers that represent the core business of the WCB. Improved claims technology will be introduced in 2001 to further improve our ability to distribute work effectively as well as manage caseloads and workloads.

Background

- Case manager and adjudicator caseloads are monitored on an ongoing basis and weekly information is provided about the volume and types of active cases. Supervisors and team members provide assistance when required to help manage claim volume fluctuations at the individual desk level.
- Appropriate assignment of work, based on client requirements, is a service principle of Customer Connect. Claims requiring specialized services are assigned to WCB staff with appropriate training, skills and experience. Integrated service teams and ongoing process changes have eliminated non-value added steps in the adjudication process to free up case manager time for disability management tasks.
- A resourcing model is in place to monitor and predict staff turnover and experience level, which assists in efficient recruitment and effective training programs.

Service Review Recommendation 8

The WCB should focus on retaining experienced and qualified case managers.

WCB - Alberta Response **Status: Existing**

- The WCB agrees it is vital that qualified and experienced claims handling staff remain in their roles to serve core clients.
- Sufficient numbers of properly trained case managers/adjudicators are key to ensuring the WCB meets its commitments to workers and employers.

Opportunities for Improvement

- This recommendation is consistent with our current initiatives to develop an experienced and highly qualified workforce. We recognize that with staff turnover, experience levels had dropped below optimum levels, but have improved significantly. The WCB had identified this feature as a key business challenge in its 2000 operational planning. Goals of reducing internal turnover to 10% and increasing the departmental experience level to 60% of case managers at the senior working level were established. Initiatives have been implemented to attain these goals by the end of 2002.

Background

- Case manager retention initiatives include a review and revision of the job design for case assistants, adjudicators, case managers and supervisors. Also, the training and development program for adjudicators and case managers is being revised to encourage a focus on claim outcomes for workers and skills development.
- Also in 2000, a great deal of attention was placed on improving the time it takes a new case handler to become fully experienced. Obviously, the faster the knowledge and skills necessary to do the job can be transferred to a new employee – the greater the organization's capacity to deliver service. A competency-based developmental progression model was implemented in 2000 and is now in place for all staff.
- Case managers plan and monitor their progress using a "passport" that records competency-based levels. Full progression usually takes 36 months.

Service Review Recommendation 9

Case managers must be trained in Customer Service, as well as oral and written communication skills.

WCB - Alberta Response **Status: Existing**

- The WCB agrees that principles of good customer service, as well as plain language, should continue to be a priority in training case managers.
- Customer service and effective communication are critical success factors in the delivery of adjudication and disability management services.

Opportunities for Improvement

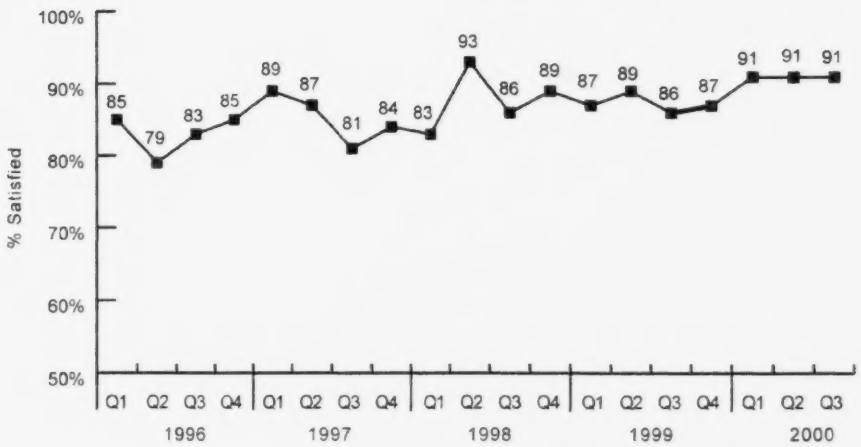
While our surveys indicate continued improvement in these areas, we believe continuous improvement through further initiatives is required. In 2001, case manager training and letter templates will be reviewed for improvement opportunities. Supervisors will continue to use individual case manager and adjudicator performance development plans to target individual improvements.

Background

- In the first nine months of 2000, more than 90% of clients surveyed said they were treated with courtesy and respect by case managers.

Treated with Courtesy and Respect by Case Managers

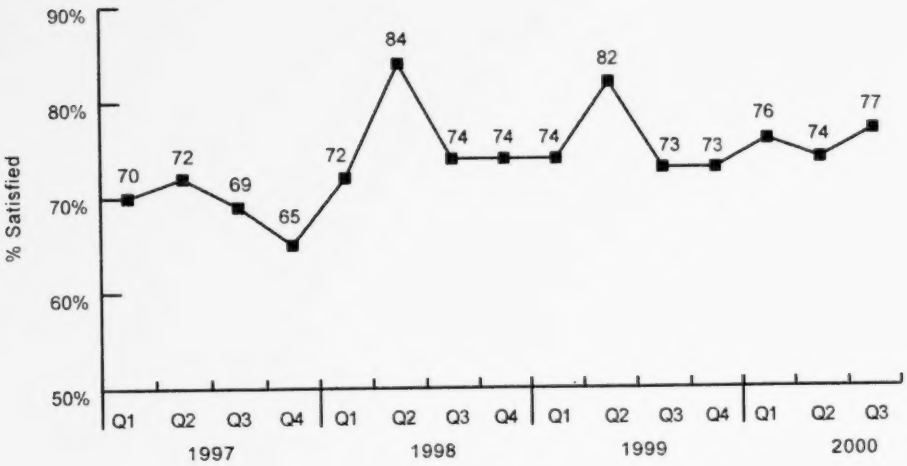
% Satisfied (4's and 5's)



- In that same period, more than 75% said they were well informed at every stage of their claim.

Keeping Workers Well Informed at Every Stage of Claim

% Satisfied (4's and 5's)



- In the fourth quarter of 1999, the WCB introduced the Style Guide and training module for the communication of decisions. Quality audits indicate a success rate of 68.5% in the third quarter of 2000. The proposed target for 2001 is 75%.
- New employee orientation, for all staff, stresses the importance of effective communication. All case managers and adjudicators attend plain language and customer service training to ensure that service and clarity of communication remain a priority.

Service Review Recommendation 10

Case managers should become familiar with workplace conditions to better understand factors affecting injured workers and their ability to return to pre-injury employment.

WCB - Alberta Response **Status: Existing**

- We agree that case managers should become familiar with workplace conditions to better understand factors affecting injured workers and their ability to return to pre-injury employment – this is a key component of the Customer Connect realignment of staff that was launched in February of 2000.
- In the first quarter of 2000, the WCB implemented the Customer Connect service delivery model driven by client needs and expectations. 'Customer Connect' realigned claims management staff into teams specifically assigned to industries, employers and injury groups. This will allow the team to gain a body of knowledge and an understanding of injuries unique to specific industries; better recognize opportunities for modified work opportunities in their field; and even more about the best practices for specialized injury types.
- The WCB has implemented programs and service delivery models to ensure that case managers/adjudicators are familiar with the specific challenges faced by injured workers in returning to work.
- We are working to have case managers become more familiar with the conditions each worker will face at their work site in order to make critical judgements of the worker's readiness to return to work.

Opportunities for Improvement

Improved knowledge regarding an injured worker's industry, worksite and job demands is an important component for successful disability management and a safe return to work. We will continue to expand and refine the implementation of the Customer Connect service delivery model and solidify the requirement for case managers to become familiar with workplace conditions through site visits. WCB will continue to partner with employers in programs such as Customer Connect, Partners in Injury Reduction and Workplace Disability Management seminars to build a mutual understanding that supports the needs of workers.

Background

- In the first quarter of 2000, the WCB implemented the Customer Connect service delivery model driven by client needs and expectations. This realignment of staff formed teams dedicated to specific customer groups. Streamlined services and a better understanding of workplace environments and types of injuries unique to each industry, were some of the benefits realized in the pilot.
- This model will allow for the capture and retention of information that is worksite or industry specific for the benefit of workers and employers.
- Case managers/adjudicators have established closer connections with workers and employers through more regular worksite visits to learn about work environments, occupations and job requirements of workers. Aligning teams to each key customer group also allows for a better understanding of the range of opportunities for workers returning to the workplace and for employers and health care providers to support those efforts.

Service Review Recommendation 12

Establish an independent audit body to monitor the appropriateness and consistency of WCB decisions in the following areas:

1. ***Case manager assessments and decisions.***
2. ***Financial transactions to verify calculations and payments.***
3. ***Costs to ensure they are being fairly levied against employers.***
4. ***Financial transactions on medical costs to ensure they are accurately allocated to the WCB or Alberta Health and Wellness.***

WCB - Alberta Response **Status: Partially Supported**

- The Auditor General currently audits the results of the WCB according to legislative mandate.
- WCB has met with the Auditor General, Peter Valentine, and he has agreed to increase the scope of their audits to include a review of WCB key performance metrics and results.
- Current checks and balances exist through the roles of the Board of Directors, the Audit sub-committee of the Board, internal Management Audit and internal Quality Assurance.

Background

- As a result of the Workers' Compensation Act change in 1995, in accordance with Section 87 (1) of the Act, the financial statements of the Board shall be audited at the direction of the Auditor General by an independent auditor appointed by the Auditor General. As published in the WCB's 1999 Annual Report, KPMG and Towers Perrin audited the WCB that year.
- The independent auditor is engaged and paid by the Auditor General and the WCB reimburses the Auditor General.
- The Auditor General directs the audit, which includes a review of all systems and processes, to ensure the necessary controls are in place and are being followed. The systems and processes being examined cover all aspects of the business of the WCB including the essence of the points identified in the recommendation.
- Assisting the independent auditor is the Management Audit group of the WCB. The independent auditor reviews their work.

Service Review Recommendation 13

The WCB should establish in policy that a Medical Advisor, when used, must reach agreement with the attending physician on matters of diagnosis, treatment plans, and on whether the injury prevents a return to work or modified duties.

WCB - Alberta Response **Status: Under Development**

- We agree there is a need to develop new processes for resolving differences of medical opinion, and have initiated that discussion with the College of Physicians and Surgeons and the Alberta Medical Association. The new processes will encompass improvements in the areas of:
  - relationships with the attending physician
  - establishing fitness to return to work
  - the use of medical panels
  - defining a 'conflict of medical opinion'
- Key to the discussion above will be establishing a clear guideline on the use of medical panels with a process that is fair and equitable to all parties and that is used only when all other avenues are exhausted.
- The process must be reasonable and achievable in context of the medical resources available in Alberta.

Background

- This recommendation would eliminate the expert review process currently being used by the WCB to clarify medical opinion – the Independent Medical Examination (IME).
- The current IME process:
  1. markedly decreases the administrative costs (as opposed to the average cost of over $6,000 per medical panel in 2000),
  2. results in improved outcomes, as delays in returning to work (which would be expected to accompany the slower medical panel process) are well known to lead to much lower rates of successful return to work.

Service Review Recommendation 14

Where consensus or agreement cannot be reached an independent three-member medical panel must assess the injured worker, in person, and their opinion will be final. The College of Physicians and Surgeons and the Alberta Medical Association should be included in the process of setting up approved lists of physicians and specialists.

WCB - Alberta Response **Status: Under Development**

- We agree there is merit in establishing a new process for the resolution of differences of medical opinion.
- The WCB has initiated discussions with the College of Physicians and Surgeons of Alberta (CPSA) and the Alberta Medical Association (AMA) to establish a process that will meet the needs of all our stakeholders.

Background

- The cost of convening one (1) independent medical panel is projected at $6,000.
- In 2000, a total of 26 medical panels were convened. Of those convened, 75% recommended no change in interpretation of the medical facts of the case as interpreted by the WCB. Of the 25% where the interpretation was changed, 75% were changed in favour of the injured worker, and 25% in favour of the employer.
- Each medical panel consists of three (3) specialists. If panels were convened for even 10% of the number of reports of injuries the WCB receives annually, approximately 140,000, 42,000 doctors would be required to participate in medical panels at a cost of $84 million. Should only 1% of the claims received wish to use the medical panel process WCB would require 350 specialists per month at an annual cost of $8.4 million.
- Access to doctors, especially specialists, is limited. Convening a large number of panels will increase waiting times, delaying treatment and rehabilitation progress as well as a return to work for the injured worker.

Service Review Recommendation 15

An injured worker's benefits must not be cut-off until conflict in medical opinion is resolved.

WCB - Alberta Response **Status: Under Development**

- We agree that an injured worker's benefits must not be suspended where there are conflicting medical opinions relating to entitlement or fitness for work.
- When there is a legitimate 'conflict of medical opinion', WCB-Alberta will maintain benefits while the conflict is being resolved (for example through a panel). In our discussion with the Alberta Medical Association (AMA) and the College of Physicians and Surgeons of Alberta (CPSA) we will also develop a definition or guideline for determining a 'conflict of medical opinion'.

Background

- The discussion process with CPSA and AMA will establish a shared definition of 'conflict of medical opinion'.
- This definition should make a distinction between unclear medical status which may require additional expertise or information to resolve, such as an Independent Medical Examination and a conflict of medical opinion when medical 'experts' don't agree. Only the latter should require a full Medical Panel for resolution.

Service Review Recommendation 16

The Minister should establish an expert committee to review and provide recommendations on how the WCB should handle diagnosis, treatment, and fitness to return to work issues.

WCB - Alberta Response **Status: Under Development**

- The WCB agrees that developing new processes for resolving differences of medical opinion and other medical issues are needed and has initiated discussions with the College of Physicians and Surgeons of Alberta and the Alberta Medical Association on this issue.
- The WCB will work with experts from the AMA and the College in establishing recommendations on how the WCB should handle medical diagnosis, treatment and return to work issues.
- Also refer to the WCB - Alberta response to Service Review Recommendation 13.

Service Review Recommendation 17

Appeals should be heard in a timely manner.

WCB - Alberta Response **Status: In Progress**

- WCB agrees that all appeals should be heard in a timely manner.
- The WCB does not have any control over the timeliness for hearing an appeal at the Appeals Commission. The Appeals Commission is an independent administrative tribunal whose performance is reported to the Minister of Human Resources and Employment.
- The WCB endeavors to ensure that the first level of appeal, to either the Claims Services Review Committee (workers' appeals) or Assessment Review Committee (employers appeals), are heard in a timely fashion. The Claims Services Review Committee (CSRC) or Assessment Review Committee (ARC) is the first level of appeal and is internal to the WCB.
- Currently, the average number of days to complete an appeal at the CSRC/ARC is 90 days (from the day we receive the appeal until the decision is communicated – mailed). In comparison, the average time to complete an appeal at the Appeals Commission is 141 days (date the appeal is accepted as an appeal at the Appeals Commission to the date the decision is signed by the commissioners – so there are a few more days before it gets in the mail).

Opportunities for Improvement

We feel the current timeline can be improved. One of the best ways to improve this timeline is to decrease the number of appeals in the system through great service and Alternative Dispute Resolution. In our opinion, placing the mediator role with the CSRC as part of a redefinition of the CSRC will increase pre-hearing resolution rates, decrease the number of appeals to the Appeals Commission and provide better service to customers.

Background

- The annual number of appeals to the first level of appeal, which is internal to the WCB through the CSRC/ARC, is 3,680 and the average cost of a CSRC/ARC appeal is $550.
- The average number of days from receipt of an appeal to delivery of a decision at the CSRC is 90 days. This is the range for timeliness of decisions:
  - ✓ 33% of the appeals are completed within 60 days
  - ✓ 67% of the appeals are completed within 90 days
  - ✓ 93% of the appeals are completed within 180 days
- The annual number of appeals to the Appeals Commission is approximately 1,225 and the current average administrative cost per appeal for the Appeals Commission in 2001 is approximately $4,900.
- The WCB strongly supports an intermediate level of review prior to a case entering the formal appeal process with the Appeals Commission. At present, the CSRC handles approximately three times the volume of cases as the Appeals Commission. It is therefore imperative that there be a step that offers some kind of filter in the form of an intermediate review in order to ensure that additional cases do not unnecessarily proceed to the Appeals Commission.
- From the perspective of the parties to the appeal, this intermediate step should focus upon pre-hearing resolution through the internal dispute resolution process.

Service Review Recommendation 18

The case manager must honor a decision made by the Claims Services Review Committee, Appeals Commission or whichever body might be established.

WCB - Alberta Response **Status: Existing**

- WCB agrees that all Appeals Commission decisions should be implemented and has a 10 day standard for implementation of Appeals Commission decisions.

Opportunity for Improvement

- Appellants may perceive that decisions are not being carried out due to unclear direction or misunderstanding of the decision. In writing and implementing the decision, both the WCB and the Appeals Commission need to very clearly communicate what the implementation of a decision will look like in terms of benefits or next steps. Included in the background information below are examples where an appellant could be confused as to what winning their appeal means.

Background

- The current practice of the WCB is to immediately implement decisions of the appeals bodies on receipt of the decision. Procedurally, case managers/adjudicators are expected to take action on implementing decisions within 10 days of receiving notification of the decision. Enforcement of decisions already exists through the courts (i.e., judicial review).
- We do not suggest that the 10 days are not exceeded in some instances. Expectations and perceptions can also be an issue – it may appear that we are not complying with the Appeals Commission even though we are, for example:
  1. *The decision, while indicating that the appellant was successful, actually does not result in any further compensation payable.* The appeals body decides that a claim is acceptable, but there was no time lost from work and consequently no wage loss benefits are issued. The decision has been implemented, but the appellant does not believe the decision has been honored since they do not receive anything or see any new activity arising from the decision.
  2. *The wording of the decision is ambiguous or directs further investigation.* The decision states that the WCB is to "...investigate entitlements due to chronic pain". This decision may be interpreted differently by the appellant than by the WCB case manager and would require further investigation as indicated in the Appeal decision. The investigation would result in another decision that the appellant may or may not support.

- The WCB recognizes that the proposed expanded role for the CSRC will help minimize these occurrences. Many of these cases are a result of the narrowness of the current appeals process and the current inability of the CSRC to examine or exhaust alternative services prior to sending an appeal to the Appeals Commission. Example of narrowness of role: Under the legislation, at appeal only the issue brought forward by the appellant can be considered – not the issues that may be causing conflict. For example: an entitlement to total temporary disability benefits (TTD) is made, but upon review the CSRC can see that the concerns could be addressed through other benefit entitlements, such as vocational rehabilitation (VR) benefits. The CSRC can only rule on the TTD and not the VR.
- Our suggested process will allow CSRC to consider all decisions on the file in order to resolve issues.

Service Review Recommendation 19

The Appeals Commission (refer to Part 1 of our response) and appeals advisors (refer to Part 2 of our response) need to be independent of the WCB.

WCB - Alberta Response Part 1 Status: Supported for the Appeals Commission

- The WCB supports increasing confidence in the appeals process and believes that if the perception of independence of the Appeals Commission is enhanced through its being appointed by, and reporting to, a different department of government, then the WCB supports the recommendation.
- In order for the Appeals Commission to be accountable not only for its decisions, but also fiscally for its operations, the WCB recommends that a governance structure for the Appeals Commission be installed. This governing body would report to the Minister responsible for that department.

Opportunities for Improvement

This recommendation suggests a key structural change to the current appeal system by having the Appeals Commission report to a different department. While it is important to enhance the appearance of independence, this is also an opportunity to improve the accountability of the Appeals Commission by implementing its own governance structure. A Board of Directors for the Appeals Commission, representing stakeholders, should result in the Appeals Commission being accountable not only for the content of decisions, but also for its budget.

Background

- At present, Section 6 of the Workers' Compensation Act provides a "blank cheque" to the Appeals Commission. Since employers must ultimately fund the Appeals Commission's operations through the Accident Fund, the governing body will provide fiscal accountability to the Appeals Commission.
- A representative stakeholder board of directors for the Appeals Commission should be empowered to hire and evaluate the performance of the Chairman and Chief Appeals Commissioner and, through him, the performance of the entire Appeals Commission. This will enable accountability in decision-making. This would deter the Appeals Commission from making decisions that are technically within the law, but would have system-wide implications and may be contrary to good public administration.

WCB - Alberta Response Part 2 Status: Not Supported for the Appeals Advisors

- Outsourcing the Office of the Appeals Advisors (OAA) would tend to make the dispute resolution and appeal processes more adversarial rather than conciliatory. The WCB suggests that externalizing the OAA would not make it more effective. In fact, the opposite would happen. The Advisors would be distanced from the day to day operations of the system which would impact their understanding and the relationships they have in place that help them resolve 33% of the disputes brought to them to the satisfaction of the worker.
- The demand for existing OAA services exceeds their present ability to deliver, indicating high worker confidence in the services. Therefore, we do not believe that there is a widely held perception that the OAA lacks independence.

Opportunities for Improvement

The opportunity to improve the pre-hearing resolution process was discussed under Recommendation 2. There is also an opportunity for the WCB to evaluate the capacity of the OAA to deliver the services required by injured workers.

Background

- Facts to note about the Office of the Appeals Advisors:
  - cases in 2000: 3,032 (2,056 new appeals & 976 carried over from 1999)
  - hearings in 2000: 972
  - pre-hearing resolutions in 2000: 1,001
  - appeals advisors on average have over 10 years WCB claims experience
- Because demand exceeds capacity, the OAA is required to maintain a waiting list.
- Appeals Advisors can take a shared responsibility approach with case managers in the dispute resolution process, whereas external advocates tend to proceed straight to appeal. This has been the experience of the Nova Scotia Workers' Advisors Office, which is external to the Nova Scotia WCB.
- Costs associated with outsourcing are approximately $1.1 million for staff transition (severance) plus related human resources, information management, and facility and relocation expenses.
- There would be additional ongoing administrative costs associated with operating an outside office as opposed to an inside office.

Service Review Recommendation 20

Establish an Alternative Dispute Resolution process that will resolve issues (including service issues) before going to appeal.

WCB - Alberta Response **Status: Existing**

- The WCB supports the concept of pre-hearing resolution of appeal issues through the most expedient means.
- At present, one of the major functions of the Office of the Appeals Advisors is to seek issue resolution with the case manager prior to the matter proceeding to appeal. The resolution function of the appeals advisor is not a true alternative dispute resolution (ADR) function in that the appeals advisor is a representative or advocate on behalf of the injured worker and is not a neutral mediator.
- The WCB suggests it would be inappropriate for an appeals advisor to wear both hats – as the unbiased mediator and also the worker's advocate.
- The WCB suggests that, where necessary, the Claims Services Review Committee (CSRC)/Assessment Review Committee (ARC) can assume the role of unbiased mediator in an internal dispute resolution process.

Opportunities for Improvement

Although the pre-hearing resolution rate achieved by the Office of the Appeals Advisors is already impressive, the WCB suggests that by formalizing an internal dispute resolution process, there can be greater effectiveness that would be reflected in higher resolution rates. Under this proposal, the Appeals Advisor would maintain the role of the worker's advocate in the process and the CSRC would assume the role of the unbiased mediator. Resolution rates would be closely monitored in order to gauge effectiveness.

Background

- The annual number of appeals to the CSRC/ARC is 3,680. The average cost of a CSRC/ARC appeal is $550.
- The annual number of appeals to the Appeals Commission is approximately 1,225. The average administrative cost per appeal in 2001 will be $4,900.
- The pre-hearing resolution rate for Appeals Advisors in 2000 was 1,001 cases out of 3,032 or 33%.
- Giving the mediator role to the CSRC would be part of the redefinition of the CSRC function (which is expanded upon elsewhere in this document) that is designed to increase pre-hearing resolution rates, decrease the number of appeals to the Appeals Commission and provide better service to customers.

Service Review Recommendation 21

The principle of "Benefit of Doubt" as articulated in Policy: 01-03 PART I, should include a specified time element, whereby a decision in favor of the injured worker may not be unreasonably delayed. The WCB Board should establish a specified time element of 20 to 30 days.

Referenced Policy 01 – 03 Part 1

Policy: *If all the evidence for and against a decision on a claim is equally balanced, the benefit of doubt goes to the injured worker.*

1.0 Benefit of Doubt *A worker is not required to provide proof beyond any reasonable doubt in support of a claim for compensation. Adjudication is determined on the balance of probabilities, based on all the facts. If, however, there is doubt on any issue because the evidence equally supports one or more decisions, the WCB will resolve the issue in the worker's favour.*

The principle of benefit of doubt, however, is not to be used:

- *as a substitute for lack of evidence, or*
- *in a purely speculative sense, or*
- *when the issue can be decided on the balance of probabilities.*

WCB - Alberta Response **Status: Complete**

- We agree that the "Principle of Benefit of Doubt" as articulated in Policy: 01-03 PART I, should be applied where there is benefit of doubt with respect to the evidence for or against a decision on a claim.
- WCB's current practice is to apply the "Benefit of Doubt" policy where the evidence for and against a decision is truly balanced.
- The current policy reads "If all evidence for and against a decision on a claim is equally balanced, the benefit of doubt goes to the injured worker". We believe this reflects the principle of fairness.

Opportunities for Improvement

The WCB will make a service promise to decide new entitlement within 21 days.

We support the need to have a service commitment for timely decision making. Prompt entitlement decisions are an important part of customer service and contribute to improved outcomes in return to work.

The principle of "benefit of doubt" will not be altered by the compliance with a timeline. The current policy reflects the principle of fairness.

Background

- In the third quarter of 2000, 66% of workers said they were satisfied with the timeliness of their first cheque.
- Approximately 70% of injured workers receive a decision and a payment within 28 days of their first day off work due to injury.
- The circumstance of having truly balanced evidence is extremely rare and therefore, the policy is rarely used.

Service Review Recommendation 22

The WCB should create a policy stating that Section 49 of the Act can only be applied after the process on Conflicting Medical Opinion has been followed.

Workers' Compensation Act Section 49

"If a worker conducts himself in a manner that tends to imperil or retard his recovery or refuses to undergo any medical aid that the Board, based on independent medical advice, considers reasonably essential to promote his recovery, the Board may reduce or suspend the compensation payable to that worker."
1981 cW-16 s49

WCB - Alberta Response **Status: Not Supported**

- The WCB-Alberta does not support this recommendation as it inappropriately links Section 49 of the Act (which allows for a reduction or suspension of compensation if a worker refuses treatment that independent medical advice considers reasonably essential for his recovery) with the Conflicting Medical Opinion process.
- Our policy is to never use Section 49 to support a denial or termination decision when there is a conflicting medical opinion.
- This section is used in cases only where there are repeated unexplained absences from treatment or rehabilitation programs.
- The current application of Section 49 supports the spirit of the recommendation in that the policy is not used to stop benefits in the case of conflicting medical opinion.

Opportunities for Improvement

We agree that it is important to consult the family physician prior to pursuing a rehabilitation program and that only programs that are medically appropriate should be part of the injured worker's rehabilitation.

However, Section 49 of the Act relates to the actions of the injured worker and should not be changed. Its application should be carefully considered and should never take place when there are medical reasons for the actions of the worker.

Background

- Currently, in cases where there are repeated unexplained absences from treatment or rehabilitation programs, Section 49 is used as a basis for reducing or temporarily stopping benefits.
- Section 49 is not used to support a denial or termination decision where there is conflicting medical opinion.

Service Review Recommendation 23

Establish a one time independent tribunal with the authority to arbitrate and resolve, through settlement, long standing contentious claims.

WCB - Alberta Response **Status: Not Supported**

- WCB does not agree with establishing a one-time, independent tribunal to review cases that have already been though all levels of appeal. There already exists a reconsideration power for any case that has new evidence as well as recourse should anyone feel they did not receive a fair hearing (judicial review, Provincial Ombudsman, and the Human Rights Commissioner).
- In order to be fair, this alternative would need to be made available to all workers. It is important to consider that rehearing these appeals could result in workers losing long-standing benefits or retroactive increases to employer's premiums.
- It would be difficult to develop a definition or set of criteria that would identify these claims without being unfair to certain workers or employers.
- There are no reserves presently in place to fund entitlements flowing from this initiative. Reserves are in place to keep commitments from prior year's claims.

Opportunities for Improvement

We agree that all claims should be resolved and that contentious issues should be concluded and not revisited. The appeal system, as designed, should provide this mechanism.

The majority of workers who utilize the first step in the appeal system report high levels of satisfaction. Although improvements can and will be made, the current approach to resolving difficult issues remains fundamentally sound.

Background

- There is already a reconsideration power for any case that has new evidence.
- If a worker felt they did not receive a fair hearing, remedies were available to them (judicial review, Provincial Ombudsman, and the Human Rights Commissioner).
- By granting another appeal to appellants, who have already received due process, we would be overlooking what the courts and the Ombudsman have already said in their findings when an appellant applied to those bodies.
- Today's employers should bear the costs of today's injuries. If past decisions are reinterpreted there will be an issue about who should pay.

Service Review Recommendation 24

The WCB should maintain an adequate number of case managers who have specialized training in the brain injury area.

WCB - Alberta Response **Status: Existing**

- WCB agrees that those case managers who work on brain injury cases should be adequately trained in the specialized needs of this client group.
- In addition, we agree there should be an adequate number of these case managers available to work on brain injury cases.
- WCB currently has 11 case managers devoted strictly to managing brain injury caseloads. We believe this is the appropriate staffing level and we monitor all caseloads on an ongoing basis.

Opportunities for Improvement

This recommendation is consistent with our current efforts to provide expert services to brain injured workers. We recognize that workers with brain injuries have unique rehabilitation needs and case managers assisting these workers require specific skills and training. We are committed to continuously improving our ability to assist these workers.

Background

- Case managers who work on brain injury cases are selected carefully from the ranks of experienced case managers. Only in somewhat rare cases where a new case manager has significant prior work or educational experience dealing with brain injured clients would this not be the case. Where possible, fully experienced case managers with some prior background in psychology, psychology nursing, social work, occupational therapy etc. are selected.
- Additional training is provided informally through unit medical advisors, psychologists, and continuing education efforts such as conference attendance (Northern Alberta Brain Injury Society, Pacific Brain Injury Conference etc.). In addition, efforts are currently underway to develop a "Brain Injury Continuum of Care Model" which will be piloted this year. The model is based on research of literature reviews and input from healthcare experts and best practices, and is designed to assist case managers and physicians in the health care community in the treatment and rehabilitation of brain injured clients.
- Case managers make extensive use of brain injury experts in the community.

Service Review Recommendation 25

The WCB should establish clear policies with respect to acceptance of evidence before using that evidence as a basis or influence in decision making.

WCB - Alberta Response **Status: Existing**

- The WCB agrees decisions should be based on information that is relevant to the issue being considered.
- The Workers' Compensation Act, policy, business procedures and training provide a framework to assist case managers in determining what the relevant information is and how the information relates to the decision.
- Entitlement decisions are based on the Act and policy. The policy outlines the criteria that needs to be met in order for entitlement to be considered. The business procedures also describe the types of information that may need to be considered when applying a particular policy.

Opportunities for Improvement

We do not support any change that would limit or restrict the decision-making process. However, we do support revisions to policy that provide guidance and clarity about the information or evidence required for sound decision making.

The decision writing Style Guide (particularly on adverse decisions) emphasizes communicating the relevant facts of the decision being considered, the applicable policy and the reasons why the decision was made.

Background

- The case manager training program contains elements in all modules that deal with determining relevant evidence according to legislation and policy. The training for policy application includes what type of relevant information should be considered when applying a particular policy.
- Extensive information comes to the claim file and some of the information, by itself, could be prejudicial and should not be considered as relevant information (evidence). For example, an anonymous phone call that a claimant is working should not by itself, be considered as relevant information unless it can be corroborated through other sources such as confirmation from the employer, pay stubs, direct observation, etc.
- The Style Guide for decision letters emphasizes providing relevant background and the facts of a case (relevant information), and linking the decision to the applicable policy / legislation.

Service Review Recommendation 26

The injured worker should have a choice in location of rehabilitation.

WCB - Alberta Response **Status: Existing**

- WCB - Alberta agrees that an injured worker should be able to choose where they receive treatment.
- Currently, injured workers have the opportunity to choose treatment providers within their area of residence.
- Service-providers are specified to ensure that the programs offered meet agreed upon standards for customer service and the quality of care.
- Where an alternative location is not a requirement but a preference, the injured worker may incur expenses, related travel or accommodation costs if they choose another authorized provider.
- A contracted health care provider network provides services throughout the province.

Opportunities for Improvement

WCB would not support a change that would eliminate our ability to assist in the medical management of an injured worker's recovery.

However, we would support the provision of choice for rehabilitation, when the benefits to the agreed upon return-to-work plan, must be considered.

Background

- Certain specialized programs such as Occupational Rehabilitation or Pain Management are only available in certain locations.
- Requests for approval of treatment in different or distant locations are currently evaluated in relation to the availability of the specific treatment required.

Service Review Recommendation 27

Criteria for case manager's bonuses must be clear, transparent and stand up to scrutiny by the Auditor General.

WCB - Alberta Response **Status: Complete**

- We agree that the principles and criteria behind the case manager "Goal Sharing" program should be well known and clear to customers.
- WCB ties staff bonuses primarily to the satisfaction of injured workers and employers.
- Employees are never, and will never, be given any incentive, inducement, bonus, reward, benefit or payment for denying legitimate claims. The number of workers and employers satisfied or very satisfied with our service are the key outcome measures for the bonus program.

Background

- The bonus program is completely open to the public for review. Details of the program have been shared with various stakeholder groups in different forums. Presentations have been made to the Canadian Association of Petroleum Producers, Industry Task Force, the Labour Coalition and a selection of employer and worker representatives attending numerous Service Consultation forums.
- For 2000, our bonus program is based on customer satisfaction and their perception of value. Research is conducted by an independent corporation to measure our success in achieving our targets.

MLA Service Review Input Committee Timeline

Committee Appointed

December 2, 1999 – *Minister appoints the six-member Government MLA Service Review Input Committee.*

Chair Victor Doerksen, Don Tannas (Highwood), Denis Herard (Calgary-Egmont), Yvonne Fritz (Calgary-Cross), Denis Ducharme (Bonnyville-Cold Lake), Julius Yankowsky (Edmonton-Beverly).

The scope and purpose of the Service Review Committee was to:

- As Members of the Legislative Assembly gather a significant amount of information about WCB from constituents;
- Seek input from Members of the Legislative Assembly about the WCB and its process;
- Take an objective look at operations and processes and provide objective recommendations and suggestions for improvement to the system;
- Report on the linkage between injured workers who were WCB clients and the cost to our health and social assistance system. (Note: The committee determined that this information was not readily available and was not dealt with in their report.); and
- Provide a report to the Minister who will be responsible for considering the findings and relaying them to the WCB Stakeholder Consultation on Service, which the WCB is conducting independently of the MLA Committee.

The Service Review Input Committee developed a questionnaire, which was primarily directed at injured workers who had experienced difficulty in their claims process at the WCB. According to the Committee's report, this was the main tool used by the Committee in gathering information and comments for developing their recommendations. The Committee also heard 26 presentations and of the approximately 1800 questionnaires distributed; 805 were completed and returned – a response rate of 45%. (Consideration: There are more than 95,000 employers and 1.2 million workers covered by WCB in Alberta. A total of more than 140,000 injuries were reported in 2000 alone.)

Committee Report Presented

November 20, 2000

On November 20, 2000 the Minister responsible for the Workers' Compensation Board, Clint Dunford, presented the MLA Service report to the Workers' Compensation Board. At a news conference, the Minister announced receipt of the reports, which outlined 27 recommendations from the Service Review Committee.

The Minister indicated at that time, employers, workers, and other interested stakeholders could review the report and provide written comments to the Minister by January 31, 2001. The Workers' Compensation Board was also to review the reports and respond to the Minister on January 31, 2001.

The WCB issued an information release regarding the process they would be undertaking to review and respond to the reports – *" WCB - Alberta is currently reviewing the recommendations from the two committees to understand and determine the operational, economic and legislative impacts — we will then share that information with all our stakeholders. To facilitate the discussion with stakeholders, the recommendations will be incorporated into the WCB's service consultation review. We made a commitment to share and discuss the recommendations with stakeholders. This discussion is an essential step we must take in the review of the recommendations."*

WCB - Alberta Preliminary Response

December 5, 2000

At a news conference, the Workers' Compensation Board – Alberta provided a preliminary response to the report and outlined the review process being undertaken to reassure Albertans these reports would not sit on the shelf. As requested by the Minister, the WCB assured a response to the recommendations would be provided to the Minister by January 31, 2001.

We stated that the report offers an opportunity to build greater confidence in the appeals system and medical processes and the recommendations confirmed that many of WCB's initiatives and directions are appropriate.

Although the recommendations in the report are the result of an invitation to dissatisfied stakeholders to participate, WCB looked at the reports for opportunities to improve its services. However we were and are still concerned that with only 805 respondents to the Service Review that the findings could not be generalized to the entire population of injured workers and employers covered by WCB. In 2000 alone, 140,000 injuries were reported and approximately 36,900 workers' injuries were severe enough that they missed time from work for more than a day. We rely on independent research completed by the Criterion Research Corporation in Alberta, which can be generalized to the entire population of workers and employers. We surveyed injured workers and employers quarterly to measure satisfaction levels with service for the WCB. Our independent research has 5,000 randomly selected participants annually. Our statistically valid research results represent the feelings and opinions of our customer base within +/- approximately 3%.

WCB, as it indicated from the outset of the committee's formation, would be seeking input from a balance of stakeholders – workers and employers in addressing the recommendations. Status on December 5:

- Meetings with stakeholders already begun.
- Letter sent to the Ministry of Justice to begin preliminary discussions regarding the Appeals process recommendations.
- Alberta Medical Association and College of Physicians and Surgeons of Alberta have been contacted to discuss recommendations regarding Medical services.
- Three internal WCB teams established and are reviewing and responding to the recommendations, which have been divided into three areas: Case Management, Medical and Appeals.

WCB Process to Respond to Recommendations

WCB – Review Teams established

The recommendations in the reports were divided into three main themes:

- service issues
- medical policy & process
- appeals policy & process

Recommendations under each theme were thoroughly reviewed by a group of internal experts led by our senior management team.

Stakeholder Discussions

We met with stakeholders to review the report on three separate occasions in December. One meeting was set-up specifically with key stakeholders, and two meetings were part of our Policy Consultation process. Stakeholder discussion was held, but this was not a full consultation. Our stakeholders will be responding with their views directly to the Minister as he requested on November 20, 2000.

January 9, 2001

A review of WCB's response was discussed at a session with stakeholders on January 9, 2001. Valuable feedback and dialogue from the group added a valuable perspective. Although a range of key stakeholders were invited to this session, the majority of stakeholders representing Labour elected to provide their input to the recommendations directly to the Minister. Though largely an employer representative stakeholder group attended this session, a valuable range of considerations was heard.

Administering the Social Contract – The Meredith Principle in context of the MLA recommendations

An agreement between workers and employers made over 80 years ago to provide no-fault disability insurance for the mutual benefit of workers and employers is the basis of today's workers compensation system. The agreement calls for employers, not taxpayers or workers, to fully fund an insurance program to cover the cost of workplace injuries for their employees. In return for this insurance, workers give up the right to sue employers for work related accidents. Employers also give up their right to sue employees whose carelessness caused work related injuries.

Sir William Meredith designed this agreement in 1913, and these principles are now commonly referred to as the Meredith Principle:

- workers receive compensation benefits at no cost for work-related injuries;
- employers bear the direct cost of compensation and in return receive protection from lawsuits arising from injuries;
- negligence and fault for the cause of injury are not considerations; and
- the system is administered by a neutral agency having exclusive jurisdiction over all matters arising out of the enabling legislation.

This agreement has been in place for over 80 years but the basic principles remain as viable today as it was then.

- Workers are assured of insurance coverage, health care and rehabilitation without having to either sue their employer, or carry their own disability insurance. Without the system, it is conceivable that employees injured at work could wait months or years to settle disputes through the courts. The financial and emotional impact on the worker and their family would be tremendous. (More than 140,000 claims were processed by WCB last year and the court systems are not clogged settling law suits for workers or employers in getting financial restitution or specialized care for injured workers.)
- Alberta employers stay in business while providing full insurance coverage to their employees (there are no options to limit coverage with WCB insurance as there is with private disability insurance). Without the system, it is conceivable that employers could be put out of business if they were sued for one severe workplace injury.

WCB, along with our counterparts around the world, administers this social contract and recognizes that we must continually balance the opposing interests among workers and employers in policy and legislation. It is this dialogue of interests and needs which gives rise to reviews and debate on the aspects of our business. To keep the balance all renegotiations of that social contract must be framed within the intent of the Meredith Principles and represent the needs of both parties to the system. We feel our responses to the MLA Committee recommendations are in the best interests of workers and employers. The WCB looked at the report as an opportunity to improve services and glean fresh ideas. Although, the input that generated the reports was largely from a small group of dissatisfied stakeholders, their voice was not diminished in relevance, but was considered in the context of our response.

Our Principles

The Workers' Compensation Board - Alberta operates according to the following principles, which apply to all workers and employers protected by the Alberta *Workers' Compensation Act:*

No fault compensation – Workers are eligible to receive benefits for work related injuries no matter who is at fault.

Collective liability – All employers in covered industries share responsibility for fully funding the cost of workers' compensation insurance.

Universal immunity – Participating employers and their workers have universal immunity against lawsuits for work-related accidents.

Exclusive judicial jurisdiction – The workers' compensation system has exclusive legal authority to make all decisions arising under the Workers' Compensation Act, subject to the rules of natural justice.

Fair compensation and fair premiums – Compensation should be fair and take into account both the nature of the injury and the impact on employment earnings. Premiums should be fair and competitive and account for full-funding of claims, reserves, and the costs of administering the system.

Benefit of doubt to worker – Adjudication decisions are made in favour of the injured worker where all evidence for and against is equally balanced.

Comprehensive injury prevention and disability management – The system provides a comprehensive range of services to both prevent injuries and manage disabilities.

Long-term stability, financial security and cost-effectiveness – The system is structured and operated in ways that ensure its long-term stability and financial security as well as its overall cost-effectiveness.

Rights of Workers and Employers

The Workers' Compensation Board - Alberta is committed to upholding the rights of workers and employers under the Act, and to helping workers and employers exercise these rights. Rights of workers and employers:

Fairness and impartiality – You have the right to fair and impartial determination on any issue arising from the Act.

Review of a decision – You have the right to a review of any previous WCB decision.

Appealing a decision – You have the right to appeal any adjudicative or assessment decision directly affecting your interests, within 12 months from the date of the decision.

Presumption of honesty – You have the right to be presumed honest unless shown to be otherwise.

Courtesy and consideration – You have the right to receive courteous and considerate treatment from all WCB staff.

Access to information – You have the right to examine all relevant documents when a decision directly affects your interests.

Privacy and confidentiality – You have the right to privacy and confidentiality. Information given to the WCB will be used only for the purposes allowed by the Act.

Roles and Responsibilities – Workers' Compensation System

The Workers' Compensation Board - Alberta (WCB) is governed by a Board of Directors, appointed by an Order in Council from the Cabinet of the Government of Alberta to direct the organization. The directors are representative of the interests of employers, workers and the public. The day-to-day operations of the WCB are managed, like most insurance companies, with checks and balances within its processes and systems to fairly and consistently apply the legislation, policy and regulations they adhere to and ensure a financially stable and secure future for Alberta's workers and employers.

The Workers' Compensation Board – Alberta:

- Assigns costs to today's employers to fund the system for today's injured workers.
- Manages a reserve fund, as do all insurance companies, to be fully funded to meet the future needs of injured workers.
- Determines entitlement of claims based on legislation and policy for workers and employers.
- Relies on the support of employers, workers and the medical community in the provision of appropriate information for the WCB to assess benefits or premiums and appropriate rehabilitation for workers.
- Administers insurance program for 95,000 employers and coverage for 1.2 million workers
- Provides benefits, health care and rehabilitation to injured workers, with the goal to the sustainable return of workers to the workplace and where workers sustain severe long-term or permanent injuries, afford them benefits to maintain their quality of life in recognition of the limitations of their injury.
- Works with injured workers, employers, health care providers and physicians to effectively provide benefits for the care and rehabilitation of injured workers.
- Provides mechanisms for appealing decisions of the WCB for both employers and workers.

Employers are responsible for fully funding the system; to maintain an account and pay premiums; to work with employees to prevent injuries and illness; and to report injuries and help injured workers return to work.

Injured workers are responsible to maintain regular contact with their employer, the WCB and their health care provider to help plan their return to work.

Health care providers have a responsibility to work with the injured employee, other health care providers, the employer and the WCB to assist in recovery and return to work planning.

Government of Alberta is responsible for the Workers' Compensation Act, under which the WCB operates. The government maintains an arm's-length relationship with the WCB allowing it to operate free of political interference in its day-to-day activities and decision-making.

Appeals Commission is an independent tribunal, responsible directly to the Minister is the final level of appeal. The Government of Alberta, through the Workers' Compensation Act, has put significant protection in place for employers and injured workers dissatisfied with WCB decisions. The Appeals Commission, although funded by the WCB through a levy paid to government, is accountable for its operation only to the Minister – not the WCB.

The Alberta Public does not fund the system through taxes nor does the Government fund the Workers' Compensation Board - Alberta. WCB is funded entirely by employer premiums. Employers do not deduct any funds from workers to pay for WCB premiums. Members of the public are asked to sit on the WCB - Alberta Board of Directors.

Our Results

The following are some of WCB-Alberta's key corporate indicators of performance. This information shows that we are working hard to balance the needs of workers and employers to the benefit and satisfaction of both parties. We realize that we need to do more and remain very committed to learning and listening to constructive suggestions for improvement.

- **77.3% Average Overall Injured Worker Satisfaction rate for 2000.**
- **86.7% Average Overall Employer Satisfaction Rate for 2000.**

The WCB contracts Criterion Research, an independent professional research firm to survey both injured workers and employers to ensure that the results are accurate, representative and reliable. These surveys are carried out on an ongoing basis and include more than 5,000 randomly selected participants annually. Overall survey results for the year are considered accurate by +-2.4 % for workers and by +-1.6% for employers i.e. 19 times out of 20.

Summary of Claims Administered 1998-1999

		1999		**1998**
Active claims as of January 1		**21,194**		20,856
New lost time claims	**35,726** (36,900*)		36,828 (37,600*)	
New medical aid only claims	**88,287**		89,592	
Total new claims reported	**124,013**		126,420	
Recurrent claims [1]	**59,295**		41,363	
	183,308	**183,308**	167,783	167,783
Total claims administered		**204,502**		188,639

* Total Number of Lost Time Claims excludes previous year claims.

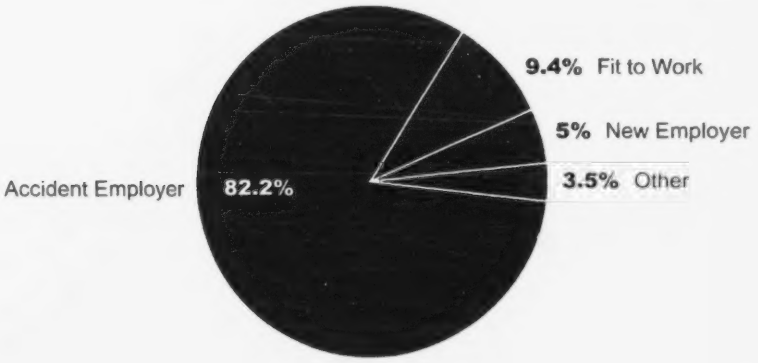
Non-eligible Claims

Lost time claims		
Insufficient information available to process claim	**62**	50
Not covered under Workers' Compensation Act	**117**	129
Injury or illness not arising out of/in course of employment	816	829
Medical aid only claims		
Insufficient information available to process claim	**2,757**	2,670
Not covered under Workers' Compensation Act	**694**	790
Injury or illness not arising out of/in course of employment	**989**	1,368

[1] Previously inactive claims that required further adjudication or case management. Claims may reopen for a number of reasons such as payments for medical aid or requests for further compensation benefits.

Return to Work

(Employability at claim closure – Year to date as of December 2000)



Year at a Glance

	2000	1999	1998
Number of workers covered	1,217,000	1,158,904	1,117,464
Lost time claim rate (per 100 workers)	3.3	3.2	3.4
Number of Claims reported	147,144	124,013	126,420
Number of lost time claims	40,600	36,900	37,600
Number of recurrent claims	N/A	59,295	41,363
New non-economic loss & permanent disability awards	N/A	2,116	2,088
Fatal claims accepted	118	114	105
Lost time claims disallowed on the basis of ineligibility	N/A	2.6%	2.7%
Number of new appeals - CSRC	3,706	3,820	3,391
Return to work percentage	87.2%	86.3%	86.0%
Claim costs (millions)	$797	$821	$555
Registered employers	96,194	90,989	87,134
Premium revenue (millions)	$395	$354	$412
Average actual premium rate (per $100 of insurable earnings)	$1.12	$1.07	$1.35
Investment revenue (millions)	$429	$415	$344
Fund Balance (millions)	$382	$359	$448
Rate & Benefit Stabilization Reserve (millions)	*	$157	$212
Occupational Disease Reserve (millions)	$222	$135	$121

NOTE: PRELIMINARY RESULTS FOR 2000

*The Rate & Benefit Stabilization Reserve has been combined with the Fund Balance in accordance with the Board of Directors approval of the Funding Policy change effective August 1, 2000.

Number of recurrent claims – Not available yet.

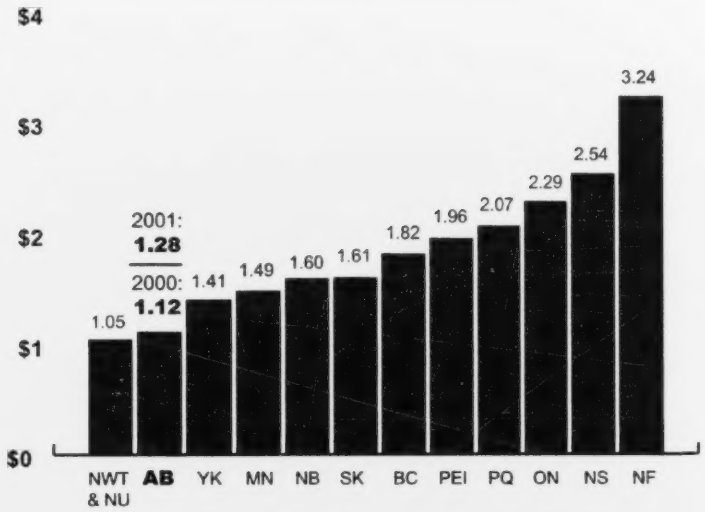
New non-economic loss & permanent disability awards – Not available yet.

Lost time claims disallowed on the basis of ineligibility – Not available yet.

WCB - Alberta – How Do We Compare?

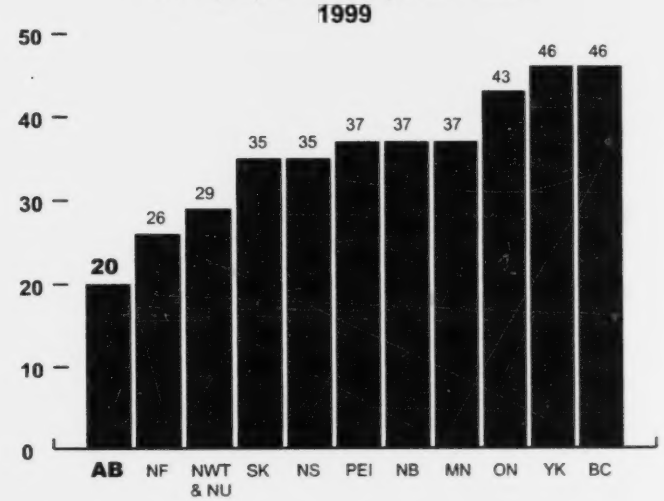
The Workers' Compensation Board – Alberta pays among the highest benefits to workers at a premium to employers that is the second lowest in Canada.

2000 Premium Rates – Alberta 2nd lowest in Canada



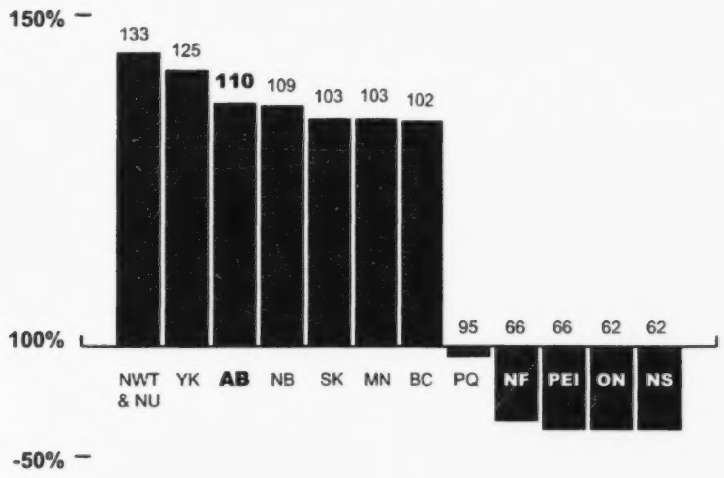
The timely response to meet the needs of injured workers is a fundamental objective of the WCB and it is something we continually strive to improve.

Average calendar days from injury to first payment issued 1999



Maintaining a fully funded reserve to meet the future needs of injured workers is sound financial management and consistent with the insurance industry.

Sound fiscal management – % funded 1999



Our Partnerships

The Workers' Compensation Board – Alberta is committed to continuous improvement in its services to its clients – workers and employers.

Stakeholders driving changes to benefits

Since the launch of the WCB's public consultation in February 1998, 16 policy changes have been completed. The consultation program has been expanded to also look at 'Services' which is a natural progression for this process. We expect that the formal consultation project will be completed in 2001 followed by final policy and process development, changes and implementation to enhance our services to customers. The five enhancements for severely injured workers resulted in more than $107 million in enhanced compensation benefits that have been received positively.

Working in partnership with workers and employers

The Partners in Injury Reduction (PIR) program is designed to encourage injury prevention and the development of effective workplace health, safety and disability management systems. It is a voluntary program that operates through the combined efforts of the WCB, Alberta Human Resources and Employment, industry partners, safety associations, employers and labour groups. Employers that join PIR and develop effective workplace health and safety management systems can earn up to 20% off the industry premium rate. This initiative is based on the concept that when employers and workers build effective health and safety systems, the human and financial costs of workplace injuries and illnesses can be reduced. Over $2 million in WCB premium refunds were distributed to 438 employers, registered in the Partners in Injury Reduction (PIR) program, for their excellence in workplace safety in 1999.

WCB Partners with the Community for Safety Awareness

Heads Up Campaign – Working in partnership with safety associations, government and employer groups this safety awareness campaign is targeted to young workers, aged 16 to 24 and their employers.

Day of Mourning – This annual event is coordinated by WCB in conjunction with employer and labour groups to help raise awareness of workplace safety and offer a memoriam event to acknowledge workers injured or killed on the job in Alberta.

Mission Possible @ Work – WCB in partnership with the Alberta Motor Association is promoting and participating in their comprehensive safe driving awareness and educational program for employers.

2001 Championships – WCB is providing workers' compensation coverage for more than 5,000 workers and volunteers of the Games for the years 1999, 2000 and 2001. The Workers' Compensation Board is afforded the opportunity to talk to the 5,000 volunteers during their orientation sessions about safety.

Job Safety Skills Society – WCB works in partnership with employers, government, safety associations and concerned Albertans in the development and promotion of the Job Safety Skills program. This training program is designed to educate young Albertans of work place hazards and to help reduce the number of workers injured and killed on the job.

WorkSafe Award™ – Since 1999, the WCB in partnership with the Alberta Chambers of Commerce (ACC), sponsors the annual WorkSafe award as part the ACC Business Awards of Distinction. The WorkSafe award recognizes excellent injury prevention, innovative disability management programs, employee wellness and integrated staff health and safety initiatives by Alberta businesses.